

NEWS RELEASE
ATTORNEY GENERAL MIKE MCGRATH
STATE OF MONTANA

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CONTACT: Lynn Solomon, 444-0582 or Judy Beck, 444-5774

McGrath: Beware Holiday Charity Scams

HELENA – As the holiday giving season gets under way, Montana Attorney General Mike McGrath cautioned Montanans to be wary of fraudulent fundraising pitches.

“Holidays are a great time to give to charity, but unfortunately, a number of scams crop up each holiday season,” McGrath said, “and consumers may be approached in person, on the phone or via e-mail.”

McGrath said one option is to contact an established charity and make a holiday donation, rather than respond to a solicitation.

“Any legitimate charity will understand your desire to make sure you are giving to a good – and lawful – cause,” McGrath said.

The attorney general and the Office of Consumer Protection offered a few other tips to avoid scams this season.

- Be wary of fundraising appeals that may try to play on emotions, like pleas involving children, for example, or stories taken from the headlines, like recent years’ tsunami or hurricanes.
- Ask for the name and mailing address of the charity if the telemarketer or solicitor does not provide it promptly.
- Ask what percentage of the donation is used to support the causes described in the solicitation, and what percentage is used for administrative costs. It is also a good idea to ask if the solicitor is a paid fundraiser or a volunteer.
- Call the charity to find out if it is aware of the solicitation and has authorized the use of its name. Remember anyone with a phone can pretend to be charity.
- If the telemarketer or solicitor claims that the charity will support local organizations, call the local groups to verify. A fake charity could add “Montana” to its name, or use a Montana post office box in an attempt to sound like it’s helping Montanans.

- Discuss the donation with a trusted family member or friend before committing the funds. McGrath added that the larger the donation, the more time the donor should take to decide.
- Don't provide any credit card or bank account information until you have reviewed all information from the charity and made the decision to donate.
- Ask for a receipt showing the amount of the contribution and stating that it is tax deductible. Understand that contributions made to a "tax exempt" organization are not necessarily tax deductible.

"Avoid cash gifts. They can be lost or stolen," McGrath said. "And for security and tax purposes, it's best to pay by check, and make sure you make the check payable to the charity, not an individual fundraiser."

Consumers who suspect a fundraiser may be illegitimate should contact local law enforcement or call the Office of Consumer Protection at 800-481-6896.

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